

Breaking Down YouTube Ads

A field guide to Promotions, ad formats, campaign objectives, and cost benchmarks for 2026.

Source: Spice Route Media, YouTube Advertising Strategy 2026



What is "YouTube Promotions"?

"**Promote**" **tab** in YouTube Studio is a simplified advertising tool built specifically for creators — a streamlined, “lite” version of the broader Google Ads platform. It's designed to put your videos in front of new audiences without navigating complex ad-buying menus.

3 CLICKS

Set a budget, pick a country/language, choose a goal — the system handles targeting and delivery automatically. No Google Ads certification or buying experience required.

WHERE IT APPEARS

- **Home Feed**
Surfaces alongside organic recommended videos
- **Search Results**
Appears within relevant YouTube search queries
- **"Up Next" Sidebar**
Recommended as a follow-on while a viewer watches

These run as in-feed ads — paid placements that look native to the surfaces they appear on.

Promotions vs. Full Google Ads

Understanding the trade-off helps decide how to spend your budget.



Pros

- ✓ Very quick to set up — minutes, not hours
- ✓ No Google Ads certification or experience needed
- ✓ Automatic optimization across feed, search, and Up Next
- ✓ Clear, simple budget and goal controls



Cons

- ✗ Limited customization of targeting overall
- ✗ No device-specific targeting (mobile / desktop / TV)
- ✗ No granular demographic or interest targeting
- ✗ Can't schedule exact times of day for delivery

Three Surfaces, Three Creative Needs

YouTube advertising revolves around distinct viewing surfaces. Each needs tailored creative — not one-size-fits-all video assets.



In-Stream

MOBILE & DESKTOP

Traditional horizontal video, watched before, during, or after content.



Shorts

VERTICAL, SHORT-FORM

9:16 swipeable feed; fast-paced, mobile-first attention.



Connected TV

SMART TELEVISIONS

Living-room viewing on the big screen; broad, lean-back reach.

Traditional Video Ad Formats



Skippable In-Stream

Plays before, during, or after a video; viewers can skip after 5 seconds.

Billed only on 30+ sec view, interaction, or completion



Non-Skippable In-Stream

Plays for 15–20 seconds with no skip option, ensuring full exposure.

Sold on CPM — best for broad promotional messaging



Bumper Ads

Short, non-skippable spots up to 6 seconds long.

Ideal for broad reach, retargeting, top-of-mind



In-Feed Video Ads

Thumbnail + text in search results, homepage, and "Watch Next" (formerly "Discovery" ads).

Clicked deliberately — strong for subscribers & long sales cycles

Emerging & Platform-Specific Formats



YouTube Shorts Ads

Vertical, swipeable 9:16 videos that appear in the Shorts feed.

High supply + lower CPMs — vital for mobile-first brand awareness and reaching younger demographics.



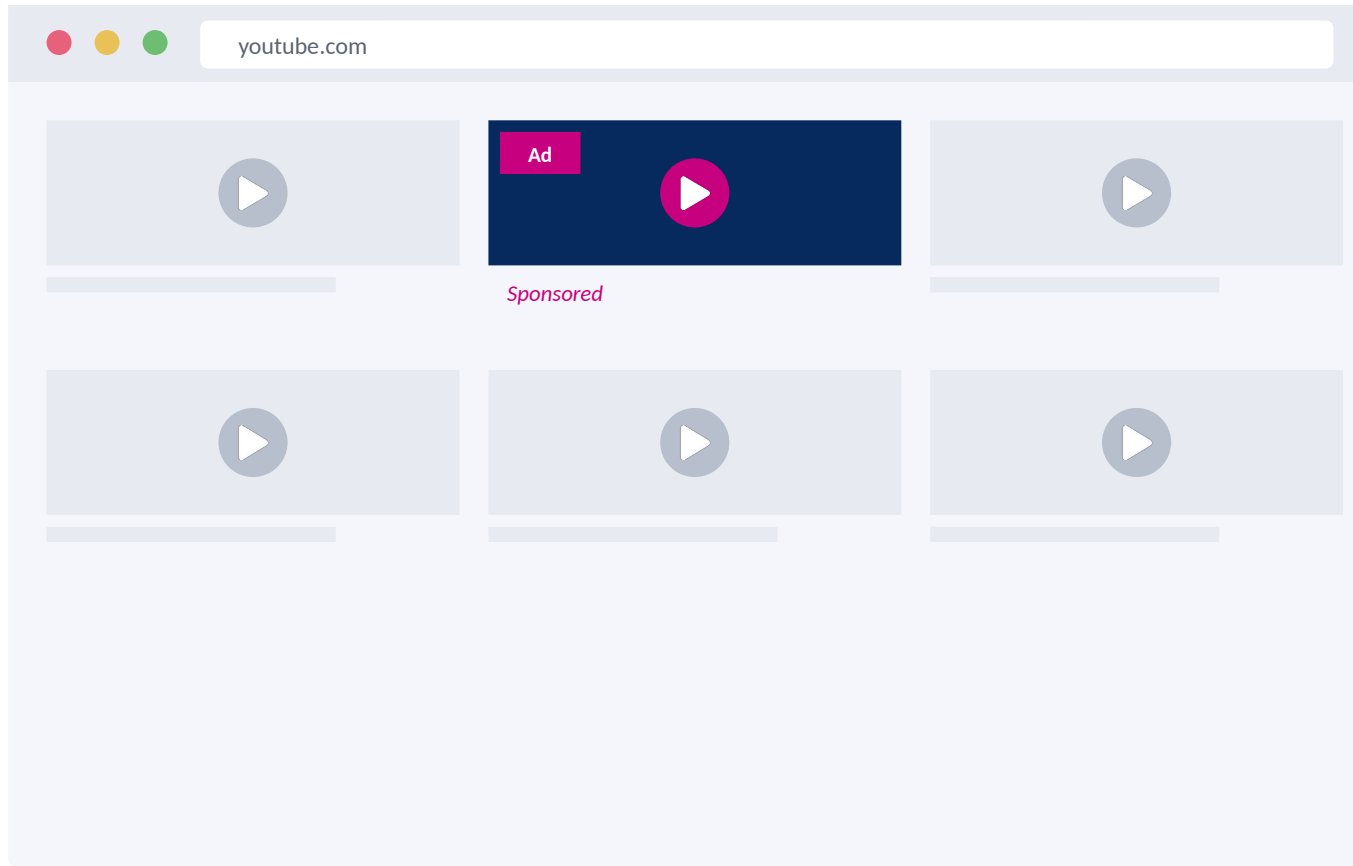
Masthead Ads

A massive, high-impact format that autoplays (muted) at the top of the YouTube home screen for 24 hours — across desktop, mobile, and TV.

A reserved (non-auction) buy, typically used for major product or premiere launches.

WHAT IT LOOKS LIKE

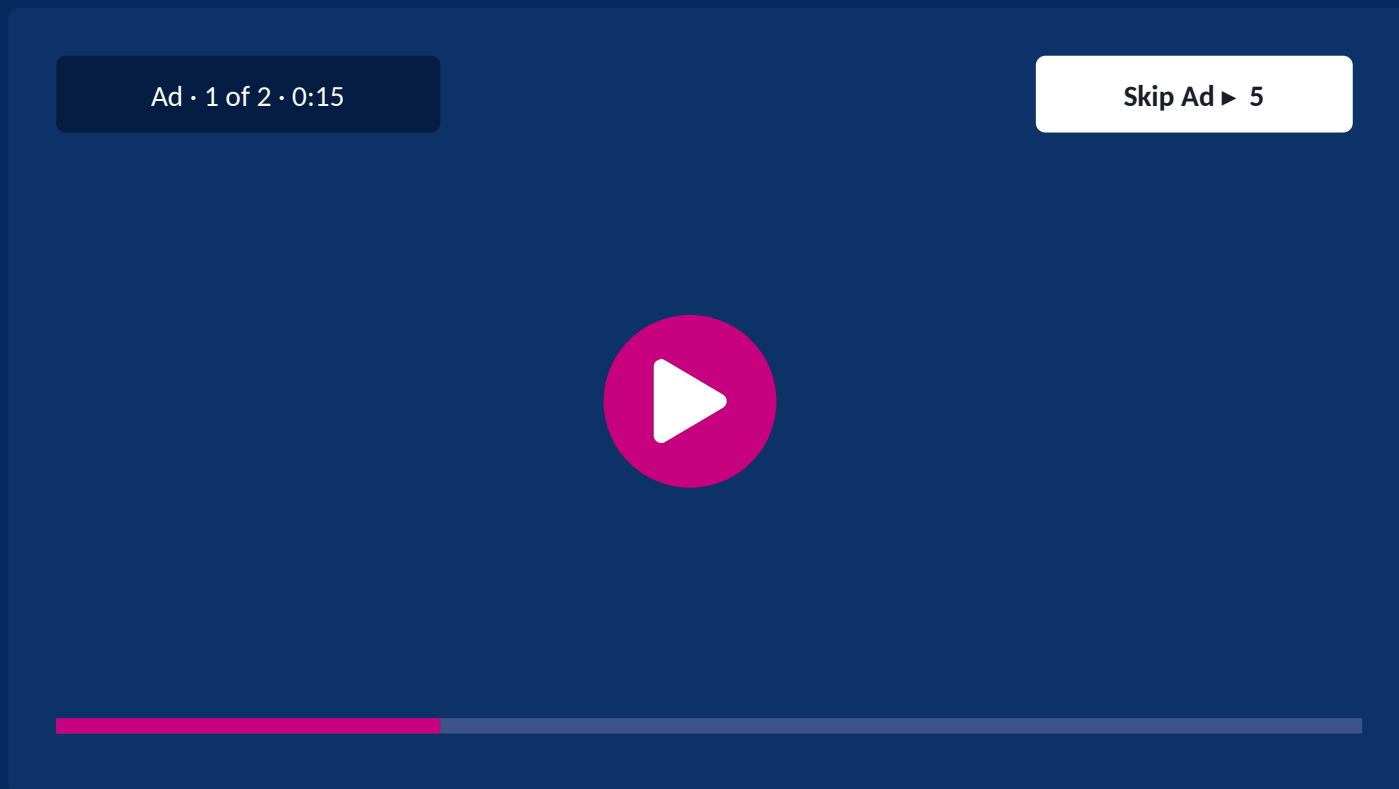
In-Feed & Promoted Placements



Illustrative mockup — not actual platform UI

- **Tagged "Ad"**
A small red badge marks promoted thumbnails so they're distinguishable from organic results.
- **Same Card Format**
Ads use the identical thumbnail + title + channel layout as organic videos — native, not disruptive.
- **Appears in 3 Surfaces**
Home feed, search results, and the "Up Next" sidebar while a viewer watches.
- **Click-to-Watch**
Unlike skippable in-stream, viewers actively choose to click — a stronger intent signal.

In-Stream: Skippable vs. Non-Skippable



Skippable

Skip after 5 seconds — billed only on 30+ sec view, click, or completion.



Non-Skippable

15–20 seconds, no skip option — sold on CPM for guaranteed exposure.

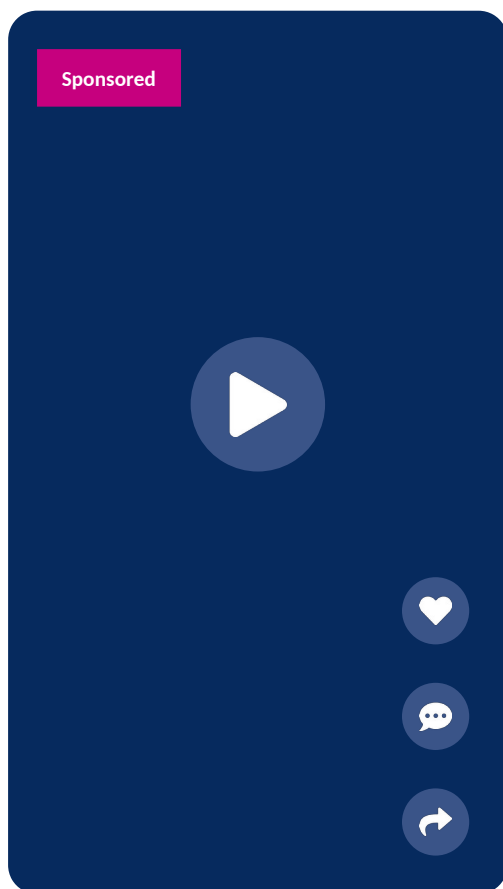


Bumper

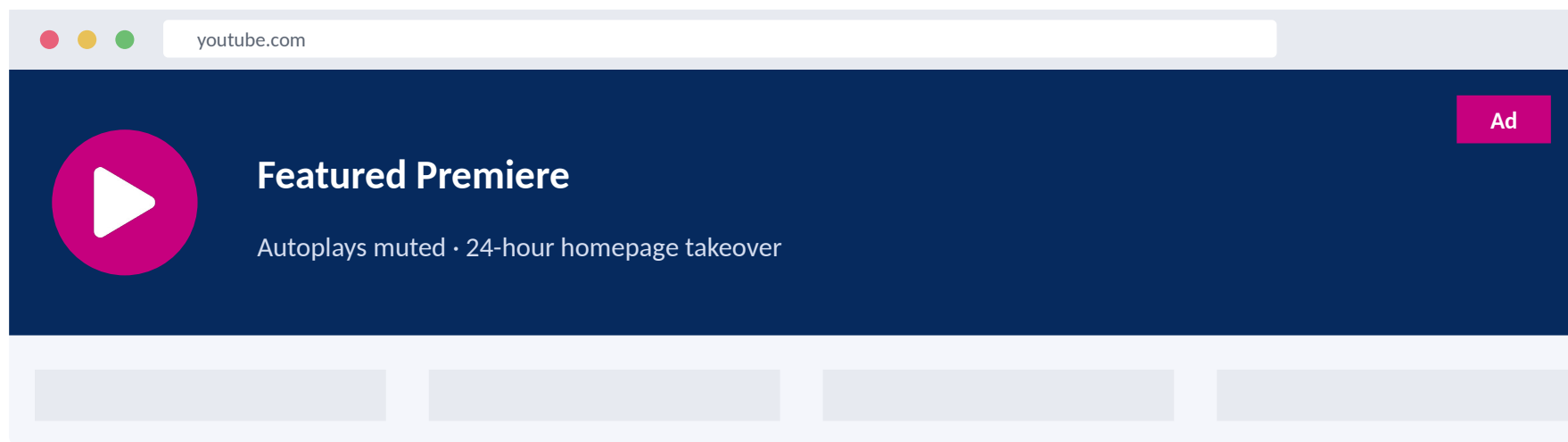
Up to 6 seconds, never skippable — quick reach & retargeting.

WHAT IT LOOKS LIKE

Shorts & Masthead Placements



YouTube Shorts — vertical, full-screen, swipeable



Masthead — the first thing viewers see on Home, above organic content

Shorts: high supply, lower CPM, mobile-first, younger audiences.

Masthead: reserved (non-auction) buy for major launches; broad, guaranteed exposure.

Campaign & Buying Objectives

Three ways to structure spend depending on what success looks like.



Video Reach

Efficiently delivers your message to a broad audience, optimizing for unique reach.



Video Views

Maximizes organic views and overall engagement for your video assets.



Demand Gen Campaigns

Integrates video creative with Google's social-style inventory — Shorts, in-feed, Discover, and Gmail — driven heavily by AI targeting.

PROOF POINTS

Case Studies: Promotions vs. Ads

Two real Detroit PBS campaigns, two different tools — chosen for two different jobs.

YOUTUBE PROMOTIONS

Reading Road Trip

Boosted content that had already premiered — an awareness / reach play.

\$1.08
CPM

Tied with Readers Club for best reach value in the dataset.

YOUTUBE ADS

Hidden Below

Drove conversions to a livestream ahead of premiere — an intent / action play.

\$0.008
CPE

Strongest engagement efficiency of any campaign in the dataset.

HOW THESE COMPARE TO INDUSTRY BENCHMARKS

\$0.05–\$0.15

Skippable In-Stream CPV

\$6–\$15

Non-Skip In-Stream CPM

\$4–\$6

Bumper Ads CPM

\$3–\$5

Shorts CPM

Reading Road Trip's \$1.08 CPM comes in well under even the lowest industry CPM benchmark above (\$3–\$5 for Shorts) — proof that Promotions is an unusually low-cost reach tool. Hidden Below's \$0.008 CPE isn't directly comparable to these CPM/CPV figures — it's optimized for action, not impressions.

Key Insights from the Data



Best Reach (CPM)

Reading Road Trip & Readers Club tie at \$1.08 / 1K impressions.



Best Engagement (CPE)

Hidden Below at \$0.008 / engagement — exceptionally efficient.



The Tradeoff

Hidden Below costs ~3x more per impression but delivers ~5x more engagements per dollar.



Intent vs. Volume

Caregiving Search carries a high CPE (\$2.13) but delivers actual conversions, not just impressions.



Recommendation

Use CPM to optimize awareness campaigns; use CPE to optimize engagement campaigns.

What the Data Actually Shows

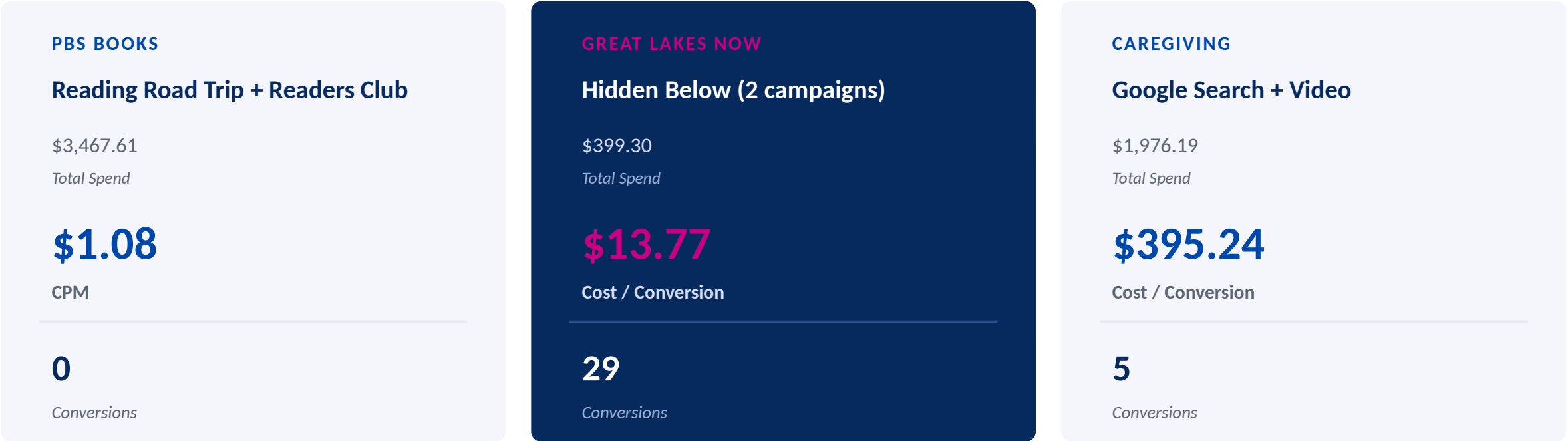
\$20,550.42 total spend across 72 campaigns (60 with actual spend) — bid strategy, not platform or content, is what determines whether a campaign converts.

Bid Strategy	Spend	Conversions	What It's Built To Do
Target CPV	\$12,971.68	0	Optimizes for cheap views only — the single biggest spend line
Maximum CPV	\$6,559.18	0	Optimizes for cheap views only — never asked to convert
Maximize Conversions	\$819.58	22	Explicitly optimizes for conversions
Target CPM	\$199.98	29	Optimizes for impressions, but converts anyway

The takeaway: the two biggest spend lines (Target CPV + Maximum CPV = \$19,530.86, 95% of total spend) are Promotions-style campaigns, structurally locked to optimizing views only — there's no toggle to make them convert. Action requires a separate full-Google-Ads campaign, run in parallel.

Reach vs. Action: Three Real Campaigns

Same account, three very different jobs — and three very different results.



PBS Books already has its own proof point: the Detroit Festival of the Book Livestream (Demand Gen, Maximize Conversions) spent just \$118.48 and drove 17 conversions — \$6.97 each, nearly identical to Great Lakes Now's result. This isn't a hypothetical test; it already worked on PBS Books' own content.

Recommendations & Considerations



Keep PBS Books' Promotions campaigns exactly as they are

Reading Road Trip and Readers Club run through the YouTube Studio Promote tab — \$1.08 CPM beats every industry benchmark for reach. Don't touch these; they're doing their one job well.



Add a second, parallel campaign for conversions — don't modify the first

Promotions is locked to Maximum CPV by design; there's no toggle to make it optimize for subscribers. The Festival Livestream proved a separate full-Google-Ads Demand Gen campaign can hit \$6.97/conversion on PBS Books content.



This is a proven PBS Books result, not a hypothetical test

The Festival Livestream already ran and worked, outside the Promote tab. The next step is running more of that exact setup alongside Promotions — not editing Promotions itself.



Recognize Promotions vs. full Google Ads as two different tools, not one dial

Every Maximum CPV row in the data is a Promotions campaign; every Target CPM/Maximize Conversions row was built directly in Google Ads. Reach and conversions need two different campaigns, run in parallel.

Facebook vs. YouTube: Where Incremental Budget Should Go

PBS Books livestreams run on both platforms — and now we have real spend data for both.

META (FACEBOOK/IG) — PBS BOOKS

\$34,309.57

9.6x

YOUTUBE — PBS BOOKS

\$3,586.09

Facebook: Organic Is Already Strong

52.6% of all Meta spend (\$63,308) is on ThruPlay — the same reach-only pattern as YouTube's Maximum CPV. Organic is already strong here, so paid reach spend has diminishing marginal value.

Hold Meta's broad reach spend flat — don't grow it further.

YouTube: The Only Lever for Subscribers

Subscriber growth is YouTube-native — Meta has no equivalent metric. At \$3,586 vs. Meta's \$34,310, YouTube is dramatically under-resourced relative to a goal only it can deliver.

Direct new/incremental budget here — optimized toward subscribe actions, not views.

The reallocation math: redirecting just 10% of Meta's PBS Books reach spend (~\$3,431) into the proven \$6.97/conversion Demand Gen playbook could fund roughly 490 additional conversions — without touching Meta's organic-supporting reach budget at all.

Recommended YouTube Ad Format: Subscriber Growth

Goal: grow the YouTube subscriber base. This runs alongside Promotions, not instead of it — Promotions can't be repointed at conversions.



Don't try to make Promotions optimize for subscribers

It's structurally locked to Maximum CPV / views — your own data confirms every Reading Road Trip and Readers Club row runs this way, with no bid-strategy control exposed.



Primary: a separate Demand Gen campaign, Maximize Conversions

Built directly in Google Ads (not the Promote tab) — set "Subscribe" as the tracked conversion action. This is the exact setup that already produced \$6.97/conversion on the Festival Livestream.



Layer in: Shorts Ads for low-cost discovery

Cheapest CPM of any format — good top-of-funnel awareness to build a larger pool of potential subscribers for the Demand Gen campaign to convert.



Skip Masthead & Bumper for this objective

Both are built for broad exposure, not action — save Masthead for a single flagship PBS Books moment, not routine subscriber growth.



Let's Build Detroit PBS's Plan

Two inputs determine the ideal campaign structure and ad formats:



Primary Goal

Brand awareness, direct sales, or subscriber growth?



Monthly Budget

What's the estimated investment range we're planning around?

Source: Spice Route Media, YouTube Advertising Strategy 2026; Google Ads Campaign Report, Jan-Jun 2026